

## **Coast Guard Flag Voice 14**

## PAY INCENTIVES FOR SEA DUTY

At the last Flag Conference, we briefed and discussed the enlisted assignment process, particularly the difficulty in encouraging our members to volunteer for sea duty. The current compensation is a disincentive for our junior enlisted people. Because career sea pay (CSP) has not been indexed for inflation since 1988, their take-home pay decreases on reporting aboard ship. For E-4 through E-6 personnel, \$150 per month CSP does not offset the loss of SEPRATS ashore (\$7.43/day SEPRATS versus \$5/day CSP). However, good news lies ahead.

Career Sea Pay Reform. Last year's National Defense Authorization Act required the Armed Services to report to Congress on the effectiveness of compensation systems used to recruit and retain members for sea duty, among others, and recommend long-term solutions. The report, prepared by the Navy, indicated those '88 rates have lost value due to inflation, must increase to maintain relative buying power, and then be re-targeted at certain points to improve retention and extensions while performing sea duty. The recommended option targets CSP earlier in a member's career, thereby improving first-term retention and generating additional time at sea. This recommendation:

- increases CSP to members with 3-4 years of sea service (instead of the current 5 years);
- increases the CSP Premium (CSPP) to encourage members to extend at sea (payments start after 3 consecutive or 8 cumulative years); and
- partially adjusts for inflation for enlisted members with fewer than 3 years of sea duty.

As an example, currently E-4s to E-6s with more than 3 years of sea duty earn \$150 CSP; in the new proposal, they would receive \$280. Additionally, they would qualify to receive the \$100 monthly CSPP if they remained at sea beyond three consecutive years. Officers with 3 or more years of sea duty also would experience a partial inflation index in their CSP rates. The Coast Guard concurred with this report and the Navy will submit it for authorization in FY01.

Basic Allowance for Subsistence (BAS) Reform. As mentioned in a previous Flag Voice, BAS reform to offset the loss of SEPRATS for those assigned to sea duty continues. Under reformed BAS, all enlisted members except those undergoing basic training receive a cash subsistence allowance equal to SEPRATS no matter where assigned. Although enlisted members assigned afloat still will have to pay for their meals, the charges will be less than the subsistence allowance entitlement. DoD forecasts it will complete implementing BAS reform around FY02 or FY03.

Sum total of these changes -- compensation will be better for those assigned sea duty over those assigned ashore.

## Regards, FL Ames

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